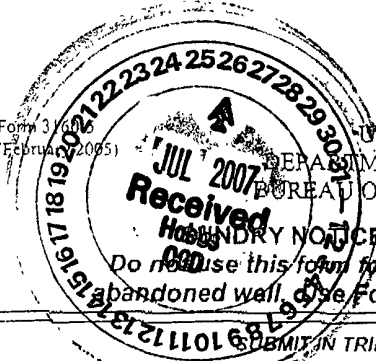


OCD - HOBBS

Form 3160-3 (February 2005)



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No 1004-0137 Expires: March 31, 2007

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5 Lease Serial No LCO 34711
6 If Indian, Allottee or Tribe Name

1 Type of Well
 Oil Well Gas Well Other

7 If Unit of CA/Agreement, Name and/or No.

2 Name of Operator
Latigo Petroleum

8 Well Name and No
Baylus Cade Federal #3

3a Address
PO Box 1043, Midland, TX
3b. Phone No (include area code)
432-617-0208

9 API Well No
30-025-10961

4 Location of Well (Footage, Sec., T., R., M. or Survey Description)
660 FSL & 1979 FWL Sec 35 (K) - T-23-S-R-37-E

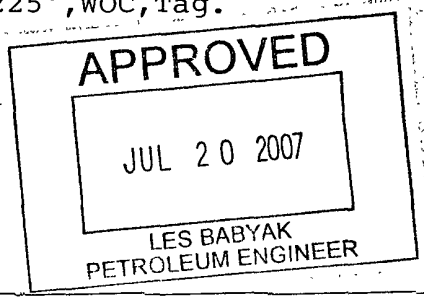
10 Field and Pool or Exploratory Area
Langlie Mattix (7 Rivers/O)
11. Country or Parish, State
Lea, New Mexico

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1. Set C.R. at 3240', sqz 150 sx, WOC, Pressure Test. (LEAVE 25sx ON TOP OF CR)
2. Spot a 40 sx Plug 2300 - 2100', WOC, Tag.
3. Spot a 40 sx Plug 1400 - 1200', WOC, Tag
4. Perforate 7" Csg. at 375'.
5. Sqz 150 sx Below Packer, displace to 225', WOC, Tag.
6. Spot 30 sx Sub Plug.
7. Install Dry Hole Marker.



14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Howard Boatright

Title Agent

Signature *H Boatright*

Date 07/03/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

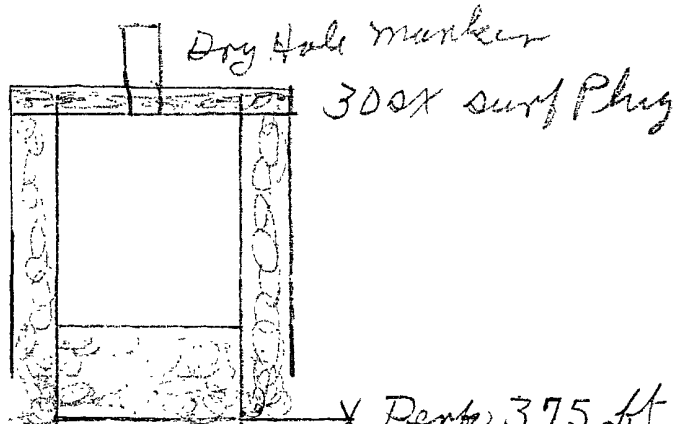
Approved by _____ Title _____ Date _____
Office _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

GWV

Arch Petroleum
Baylus Code Federal #3



13 3/4" at 309'
TOC Surf

X Perfo 375 ft -
2 g under pack w/ 150 sy Circ. to surf
7" x 13 3/4" annulus + Top of Cement
into 7" at 225 WOC + lag

Spot a 40 sy Plug 1400 - 1200 Jay

Spot 40 sy Plug 2300 - 2100 Jay

CR at 3240 ft
2 g 150 sy below CR WOC - Pressure test

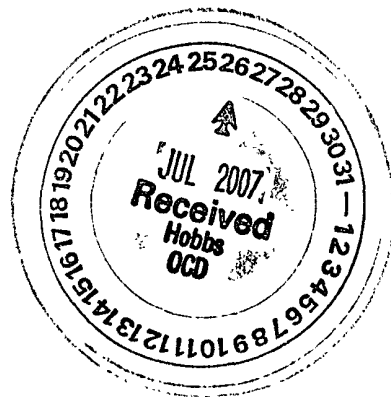
7" at 340
TOC surf

5" liner 3290-3340

OH-3340-3551

OH-TD - 3551

OH shut 640 gals of Nitro



Arch 17

BAYLUS CADE FEDERAL #3
660' FSL & 1979' FWL
Sec. 35(K), T23S, R37E
Langlie Mattix(7 Rivers/Queen)
Lea County, New Mexico

DF Elev 3242'

API #: 30-025-10961



- 8/8/51 RU CT rig & spud, OH: 3340'-3551'
- 9/17/06 Stim: (3420'-3551') 640 qts nitro
IPF(10/2/51): 80 bopd, 0 bwpd, Gas NM
- 3/4/52 (F) 15 bopd, 12 mcf, 0 bwpd, 1/2" ck
- 9/29/59 C.O. OH to 3543'
Frac: 30K g. + 45K# sd
AWO: (F) 40 bopd, 22 bwpd, 37 mcf, 3/4 ck, BWO: 3 bopd
- 5/21/66 Set OH pkr @ 3362', had 75' entry/hr
- 10/2/61 (P) 20 bopd, 14 mcf, 27 bwpd
- 7/12/68 (P) 20 bopd, 51 mcf, 18 bwpd
- 10/10/68 Pump-in injection survey showed comm behind csg to water
Run 5" liner from 3231' to 3440'
C.O. to TD
- 1/22/90 (P) 3 bopd, 30 bwpd, gas TSTM
- 11/1/04 CP-80# w/BW flow, tag tight spot @ 2196'
Found leak from between 2191' & 2250'
Sqz below rtmr @ 2094' & pump 300 sx to 2000#
D.O. out of cmt @ 2195', RTP

